

To: David Mark[David.Mark@moypark.com]
From: Tom Forgrave
Sent: Wed 7/8/2015 11:07:02 PM
Importance: Normal
Subject: FW: proposed changes to nirhi
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David,
fyi

Tom

From: tom.forgrave@Personal information redacted by the RHI Inquiry
To: stuart.wightman@detini.gov.uk; seamus.hughes@detini.gov.uk; dan.sinton@detini.gov.uk
Subject: proposed changes to nirhi
Date: Wed, 8 Jul 2015 23:04:28 +0100

Dear Mssrs Wightman, Hughes and Sinton

Regarding the proposed changes to NIRHI being discussed at the present time could I please ask that you give consideration to not rushing through any changes. The proposed date of 1st Oct 15 does not give the poultry industry in NI time to adapt to a new tariff.

The poultry industry has a particularly large heat requirement and the NIRHI has proven to be very effective at encouraging farmers to be more environmentally sustainable and in reducing our dependence on fossil fuels, primarily LPG.

Many farmers, myself included, are in the planning process to build new poultry sheds for Moypark. This is a long and complicated process with a timeframe of anywhere between 6 and 12 months from planning applications being submitted to biomass boilers being commissioned and chickens placed in sheds. Cash flow projections have been presented to banks to prove the ability to repay loans of between £350k and £1m over a 10 yr period. These cash flow projections were submitted based on including an NIRHI of 6.3p/kw (pre-April 15) alongside the income from the poultry.

If the proposed 2 tier tariff system is implemented before these new sheds are passed by planning, cash flows will not match the projections submitted to the banks and it will put in serious jeopardy the viability of many of these expansion plans. The banks may reconsider their loan offers and farmers may not be able to proceed with their planned expansion.

We fully appreciate that tariffs may have to mirror what is already in place in mainland UK and that a 2 tier payment structure is a proven model. What we would ask is for a period of grace to be put in place for those who are currently in the process of planning or building. If it is impractical for this period to remain open-ended could the 1st Jan 2016 be considered as a realistic date for the change to be implemented?

Regards

Tom Forgrave

Chairman of Moypark Growers Committee (Ballymena)
Vice-Chair UFU Poultry Committee